

TOWN OF WILTON SEWER DEPARTMENT
Sewer Audit Meeting – Wednesday, May 25, 2016 at 6PM
Wilton Selectmen's Office APPROVED 6/9/16

Wilton Sewer Commissioners, Town Accountant Stan Greene, Town Treasurer Jerry Greene, Town Auditor Tamar Roberts, Selectman's Assistant Caitlin Martin, Administrative Assistant Pam Atwood and the Wilton Board of Selectmen were apprised via e-mail on 5/4/16 that a 'Sewer Audit' meeting was to be conducted on Wednesday, May 25, 2016 at 6PM in the Selectmen's Office.

Persons present at the meeting were sewer commissioners Tom Herlihy (Chairman), Chris Carter and Tom Schultz, clerk Joanna K Eckstrom, Stan Greene, Tamar Roberts and Pam Atwood. (Neither the Selectmen, Selectmen's Assistant or Treasurer attended. Ms Eckstrom took minutes in behalf of the WSD and Ms Atwood (tape) recorded the meeting. As he is the 'senior' official present, Tom Herlihy called the meeting to order at 6PM.

Speaking in behalf of his sewer commissioner colleagues, Tom Schultz said commissioners were blind-sided when WSD tried to 'encumber \$50K of its 2015 revenue to do work on Maple Street and assertions were made by the town treasurer, a former selectman and the budget committee that the sewer department owed the town about \$86K and didn't have money to encumber. He said that figures from the town clerk (as shown in town reports going back to 2000), do not support an \$86K deficit and may, in fact, show that WSD is OWED money from the town. Commissioners were further upset that no direct contact has been made for years ... everything seemed to be back-channel. Selectmen and some WSD commissioners met from time to time to resolve their issues. Selectmen hired Roberts and Greene PLLC to do an audit; however, WSD reserved right to do its own independent audit. Tonight is the first time that all three commissioners could meet so there is some disappointment that no Selectman is present.

Stan explained his role as the town's accountant, which he has been doing for about ten years (since Stuart Draper) days. Stan keeps track of revenue from Jane Farrell, tax collector - money that comes in quarterly via the sewer warrant – includes quarterly 'user fees', interest, late penalties etc. Pam Atwood (Caitlin) reports other income – from one-time connection fees, etc. and keeps track of all expenses. Stan alluded to a policy between the WSD and the town (Selectmen) that defines the 'relationship'.

Tamar distributed the audit report that she (her company) had done which covered years ended Dec. 31, 2008 through 2015; report also included figures from 2007 from a

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different auditing firm. A final number for 2015 will be available as soon as the entire town audit is complete. Per audit, WSD owes Town of Wilton about \$19K.

Tamar explained that WSD doesn't need to write a check to the Town; now that a rate increase is in effect and as long as spending is kept in check, things should even out. She added that WSD does not need to 'encumber' funds (as it attempted to do); WSD controls how its income is to be spent.

Ms Eckstrom noted that WSD's 2017 budget will need a line item for 'debt service' – the line item will include bond principal payments as well as interest. (For 2016, the bond principal payment of \$15K will come from the bond surplus; interest comes from operating.)

Granite State Rural Water Association, of which WSD is a member, was referred to several times. They will be contacted for a sample policy which defines the relationship between a sewer department like WSD and the town. Tamar will see if she has any similar info to share. Going forward, Stan will provide a balance of what's in the WSD's at the end of each month.

All parties felt that this was a very productive meeting and that it would be a good idea to 'brief' new commissioners (and staff) regularly. Due to / Due from can be confusing but when it's explained, it can help avoid situations like this.

Both Tamar and Stan are available for any further questions WSD may have. Contact them through Pam Atwood.

There being no other business to discuss, the meeting was adjourned at 6:50PM.

Respectfully submitted,

Joanna K Eckstrom, Clerk Wilton Sewer Department